GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1866
ANSWERED ON:26.07.2002
FDI IN IT AND TELECOMMUNICATION SECTORS
AJAY CHAKRABORTY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India has not been able to attract FDI in the IT and Telecommunication sectors during the last ten years since 1991 as compared to other South Asian countries;

(b) if so, the total FDI secured during the above period and how much amount out of that was in the IT and Telecommunication sectors and how does it compare China, Singapore, Thailand and Taiwan;

(c) whether the investment in hardware manufacturing and software development was also negligible; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (d) : India accounted for around 76% of Foreign Direct Investment (FDI) inflows into South Asia during the year 2000 as reported in the World Investment Report, 2001 published by UNCTAD.India is emerging as an important destination for FDI in the areas of Telecommunications and Information Technology.

FDI received in the country during the period from 1.8.91 to 31.5.02 in Information Technology (Computer Software, Electronics, Computer Hardware and Other Software) and Telecommunication Sectors is as under :-

Sector	Amount of FDI Inflow @ (in Rs. crore)	% of total
Information Technology	6569.96	9.50
Telecommunications	9230.16	13.35

@ This excludes inflows against ADRs / GDRs, acquisition of existing shares, RBI`s - NRI schemes and advances pending issue of shares.

The total FDI received during this period in all sectors is Rs.1,19,088.52 crore.